

News

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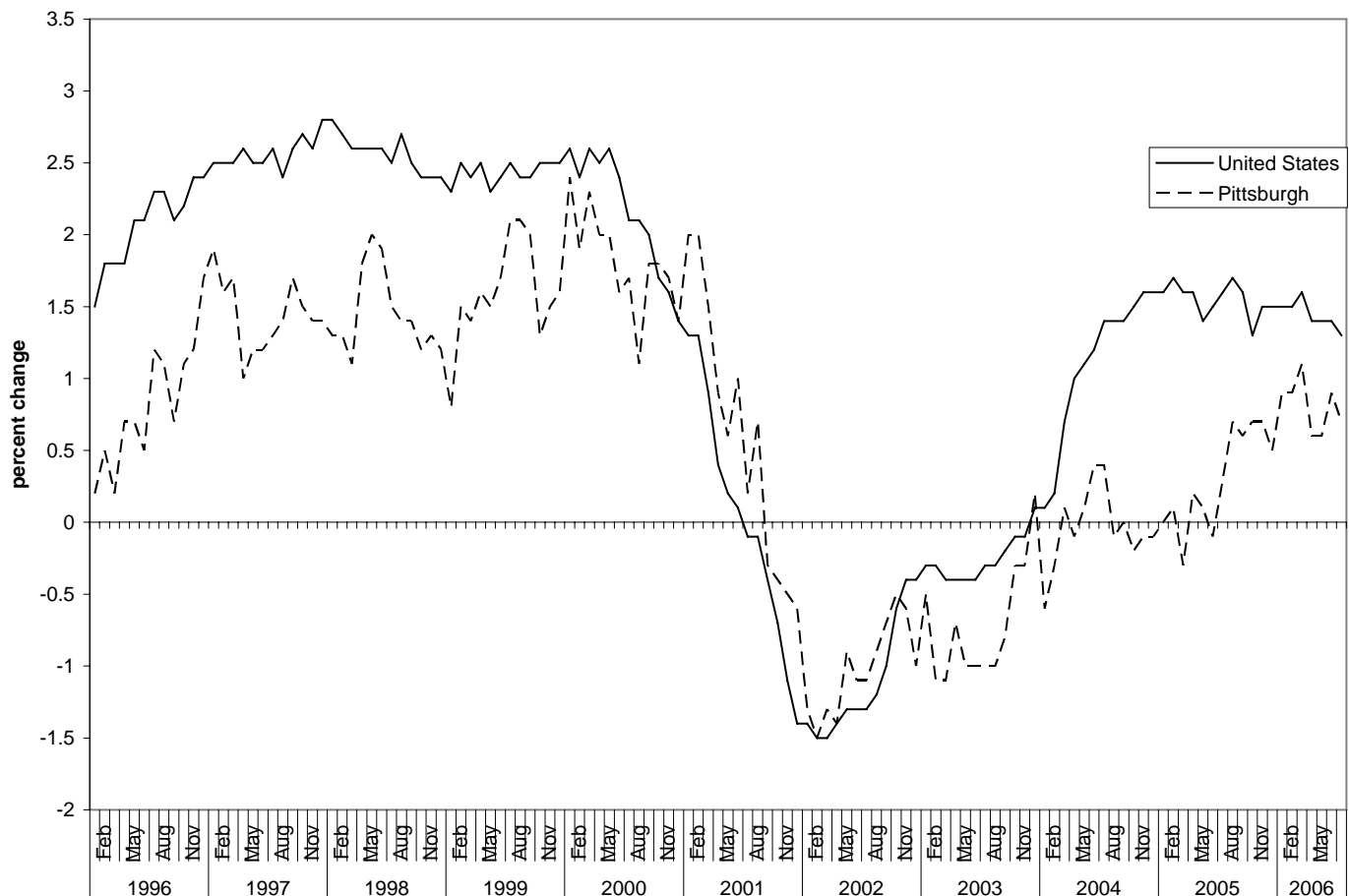
FOR RELEASE:

WEDNESDAY, SEPTEMBER 20, 2006

PITTSBURGH METROPOLITAN AREA JOB COUNT RISES BY 8,000 FROM JULY A YEAR AGO

Total nonfarm employment for the Pittsburgh, Pa. Metropolitan Statistical Area (MSA) stood at 1,145,900 in July 2006, an increase of 8,000 jobs over the year, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Regional Commissioner Sheila Watkins noted that Pittsburgh's 0.7-percent increase in employment over the 12-month period was slower than the 1.3-percent gain for the nation as a whole in July 2006. Moreover, the over-the-year growth rate for jobs in the Pittsburgh area has lagged that for the U.S. since December 2003. (See chart 1 and table 1; Technical Note at end of release contains metropolitan area definitions. All data in this release are not seasonally adjusted; accordingly, over-the-year analysis is used throughout.)

Chart 1. Total nonfarm employment, over-the-year percent change in the United States and the Pittsburgh, Pa. Metropolitan Statistical Area, January 1996-July 2006



In the Pittsburgh metropolitan area, over-the-year employment growth was led by the addition of 4,700 jobs in educational and health services and 4,100 jobs in leisure and hospitality. The advance in education and health services represented a 2.2-percent increase—the 130th straight over-the-year gain in this industry supersector. Employment in leisure and hospitality expanded by 3.6 percent in July 2006. In the United States, educational and health services employment advanced by 2.1 percent from July 2005 to July 2006, and Pittsburgh's growth rate was in line with the national increase. On the other hand, the area's growth rate for jobs in leisure and hospitality was well above the 1.9-percent increase nationwide. (See table 1.)

Natural resources, mining, and construction added 2,500 jobs to its count in the metropolitan area over the 12-month period. The 4.1-percent increase in jobs in this industry supersector was the largest gain recorded in the metropolitan area in July 2006.

Over the year, public sector employment in the Pittsburgh area grew by 1,000 jobs, or 0.9 percent, in July 2006; not since April 2003 had government experienced an increase of at least the same magnitude. Nationally, public sector employment grew by 0.5 percent from July 2005 to July 2006.

Job counts in professional and business services; financial activities; information; trade, transportation, and utilities; and other services varied by less than 1,000 from last year in the metropolitan area.

Manufacturing was the only supersector in the Pittsburgh area to lose more than 1,000 jobs from July 2005 to July 2006. Manufacturing employment fell by 2,900, or 2.8 percent, over the 12-month period in the metropolitan area—the 67th consecutive over-the-year decrease in this industry supersector. Since July 1990, the first year this data series was available, manufacturing has lost 32,900 jobs, or one-fourth of its total, in the metropolitan area. Nationwide, employment growth in manufacturing was little changed, edging up 0.1 percent from July 2005 to July 2006.

Table 1. Employees on nonfarm payrolls by industry supersector, Pittsburgh metropolitan area and U.S. total, not seasonally adjusted (numbers in thousands)

Area and Industry	July 2005	May 2006	June 2006	July 2006 (p)	July 2005 to July 2006 (p)	
					Net change	Percent change
Pittsburgh, Pa. Metropolitan Statistical Area						
Total nonfarm	1,137.9	1,151.2	1,161.3	1,145.9	8.0	0.7
Natural resources, mining, & construction	61.7	61.1	62.9	64.2	2.5	4.1
Manufacturing	101.9	98.9	100.2	99.0	-2.9	-2.8
Trade, transportation, & utilities	226.8	228.3	229.8	226.0	-0.8	-0.4
Information	23.1	22.4	22.5	22.4	-0.7	-3.0
Financial activities	70.5	69.7	70.3	70.7	0.2	0.3
Professional & business services	148.0	146.7	148.2	148.7	0.7	0.5
Educational & health services	216.8	221.9	222.0	221.5	4.7	2.2
Leisure & hospitality	113.0	114.1	117.5	117.1	4.1	3.6
Other services	60.2	58.8	59.4	59.4	-0.8	-1.3
Government	115.9	129.3	128.5	116.9	1.0	0.9

(p) = preliminary

Area and Industry	July 2005	May 2006	June 2006	July 2006 (p)	July 2005 to July 2006 (p)	
					Net change	Percent change
United States						
Total nonfarm	133,413.0	135,865.0	136,407.0	135,141.0	1,728.0	1.3
Natural Resources & Mining	635.0	673.0	687.0	697.0	62.0	9.8
Construction	7,589.0	7,578.0	7,742.0	7,797.0	208.0	2.7
Manufacturing	14,257.0	14,229.0	14,356.0	14,277.0	20.0	0.1
Trade, Transportation, & Utilities	25,970.0	25,990.0	26,120.0	26,042.0	72.0	0.3
Information	3,080.0	3,066.0	3,080.0	3,067.0	-13.0	-0.4
Financial Activities	8,205.0	8,317.0	8,382.0	8,384.0	179.0	2.2
Professional & Business Services	17,027.0	17,275.0	17,525.0	17,496.0	469.0	2.8
Educational & Health Services	17,043.0	17,762.0	17,532.0	17,395.0	352.0	2.1
Leisure & Hospitality	13,500.0	13,234.0	13,628.0	13,760.0	260.0	1.9
Other Services	5,458.0	5,427.0	5,473.0	5,465.0	7.0	0.1
Government	20,649.0	22,314.0	21,882.0	20,761.0	112.0	0.5

(p) = preliminary

Technical Note

This release presents nonfarm payroll employment estimates from the Current Employment Statistics (CES) program. The CES survey is a Federal-State cooperative endeavor in which State employment security agencies prepare the data using concepts, definitions, and technical procedures prescribed by the Bureau of Labor Statistics.

Definitions. Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period which includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2002 version of the North American Industry Classification System.

Method of estimation. The employment data are estimated using a "link relative" technique in which a ratio (link relative) of current-month employment to that of the previous month is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are obtained by multiplying the estimates for the previous month by these ratios. Small-domain models are used as the official estimators for approximately 10 percent of CES published series.

Annual revisions. Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports which are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

Reliability of the estimates. The estimates presented in this release are based on sample survey and administrative data and thus are subject to sampling and other types of errors. Sampling error is a measure of sampling variability--that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data are also subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the special estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

Employment estimates. Measures of sampling error for state CES data at the supersector level are available on the BLS Web site at <http://www.bls.gov/sae/790stderr.htm>. Information on recent benchmark revisions for states is available at <http://www.bls.gov/sae/>.

Area definitions. The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget, dated February 18, 2004. A detailed list of the geographic definitions is published annually in the May issue of *Employment and Earnings*.

The Pittsburgh, Pa. Metropolitan Statistical Area (MSA) includes Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland counties in Pennsylvania.

Additional information

More complete information on the technical procedures used to develop these estimates and additional data appear in *Employment and Earnings*, which is available by subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (telephone 202-512-1800).

Industry employment data for states and metropolitan areas from the CES program are also available in the above mentioned news releases and from the Internet at (<http://www.bls.gov/sae/>).

For personal assistance or further information on the Current Employment Statistics program, as well as other Bureau programs, contact the Mid-Atlantic Information Office at 215-597-3282 from 8:30 a.m. to 12:00 p.m. and 1:00 p.m. to 3:30 p.m. ET.